ihg | In Step with Community Associations

CNA

Non-Profit Community Associations Insurance Application
Directors' & Officers' Liability (D&O)

I. Applicant Non-Profit Association Information

Association Name

Mailing Address | City | State | Zip Code

Physical Address ☐ *Check if same as mailing address*

City | State | Zip Code | Telephone

Email Address | Fax Number

Association Type – Please Select:

☐ Condominium ☐ Condo-Op ☐ Condo-Hotel ☐ Homeowners Association ☐ Cooperative ☐ Mobile Home Park
☐ Commercial/Business Community Association ☐ Timeshare (interval) Association ☐ Master Association ☐ Tenancy in Common
☐ Townhome Association (Condo) ☐ Townhome Association (Fee Simple) ☐ Other: _____

Property Manager Information *(if applicable)*

Company Name

Mailing Address ☐ *Check if same as Association physical address*

City | State | Zip Code | Telephone

Email Address | Fax Number

Website, if Applicable: _____ ☐ Check if Entity does Not have a Property Manager

II. Association Liability (D&O) Underwriting Information

Proposed Effective Date: _____ Date Association Established: _____ Number of Units in the Entity Currently Built: _____

Is Association membership mandatory for owners/residents? ☐ Yes ☐ No

Is association still being developed? ☐ Yes ☐ No *If yes, date completion expected:* _____ Total Number of Units at Build-Out: _____

Name of the Developer: _____

Does the Developer have more than 50% representation on the Board of Directors ☐ Yes ☐ No

Does one person or entity (other than Developer) own more than 50% of the community association units? ☐ Yes ☐ No

Commercial Occupancy? *(other than the office of the Property Manager)* ☐ Yes ☐ No *If yes, percentage of commercial occupancy:* _____%

Describe the type of Commercial Occupancy: _____

Does the association facilitate/manage a rental pool comprised of owners' units? ☐ Yes ☐ No

If Yes, what percentage of units participate? _____%

Does the association have ***armed*** security services or an ***armed*** neighborhood watch person? ☐ Yes ☐ No

If Yes, does the security service have a hold harmless agreement in their contract? ☐ Yes ☐ No

Does the association have any of the following exposures? *Please note that the association may not be eligible for the program and/or additional underwriting information may be required.* ☐ None

☐ Nightclub/Bar ☐ Liquor Store ☐ Place of Worship ☐ Daycare ☐ School ☐ Hotel ☐ Airstrip/Hangars ☐ Apartments
☐ Casino ☐ Hospitals/Healthcare Clinics/Centers (other than doctor's offices) ☐ Water/Sewage Treatment ☐ Equestrian
☐ Gun Range/Sales ☐ Public Parking Garage/Structure

Does the Entity have a **Positive** Fund Balance? *If the fund balance is negative, please include financials and an explanation.* ☐ Yes ☐ No

Has the association been in receivership or filed for bankruptcy in the last 3 years? ☐ Yes ☐ No

Has there been an assessment increase in the last 12 months or pending? ☐ Yes ☐ No

If yes, what was the amount $_____ *and percentage of the increase?* _____%

Has there been a special assessment in the last 12 months or pending? ☐ Yes ☐ No *Total amount of special assessment:* $_____

Are greater than 20% of unit owners more than 90 days delinquent on association dues? ☐ Yes ☐ No *If yes, what percentage?* _____%

Have any government fines or fees been assessed in the last 2 years? ☐ Yes ☐ No

Is the Average Unit Value in excess of $1,000,000? ☐ Yes ☐ No *If yes, please provide average unit value:* $_____

Is the association an "Over 55" Community? ☐ Yes ☐ No *If yes, are all units individually owned and owner occupied?* ☐ Yes ☐ No

How many of the following Amenities or Recreational Facilities does the association own and/or manage? ☐ None

# of Sport Courts: _____	# of Pools/Spas: _____	# of Lakes/Ponds: (excl. retention ponds) _____	# of Playgrounds: _____	# of Fitness Rooms: _____	# of Community Centers/Rooms: _____
# of Golf Courses: _____	# of Docks: _____	Marina: _____ If Marina exists, are fuel services provided? ☐ Yes ☐ No			

Does the association provide or contract with a third party to provide recreational activities? ☐ Yes ☐ No

If Yes, please describe: _____

Are any of the above open to the public? ☐ Yes ☐ No

Total number of Association Employees (not including volunteers or Property Manager employees) _____

Does the Association have an Employee Manual or Handbook? ☐ Yes ☐ No

Expiring D&O Insurance Information *(if applicable)*

Expiring Insurance Company: _____ Policy Period: _____ to _____

Limit: $_____ Deductible: $_____ Premium: $_____

D&O Desired Limits/Options

☐ $1,000,000 aggregate limit of liability each policy year/$1,000,000 defense limit
☐ $2,000,000 aggregate limit of liability each policy year/$2,000,000 defense limit
☐ $3,000,000 aggregate limit of liability each policy year/$3,000,000 defense limit
☐ Other: $_____ *(Up to $5,000,000 available)*

D&O Liability Loss/Claim History

In the past three years, has a claim been made, or is a claim now pending against, the Entity or any person in his or her capacity as a director, officer, trustee, employee, volunteer of the Entity? ☐ Yes ☐ No
If yes, please provide details of each claim on a separate page.

Are any of the persons or entities to be insured under the policy responsible for or has knowledge of any Wrongful Act or fact, circumstance or situation which s(he) has reason to suppose might result in a future claim? ☐ Yes ☐ No
If yes, please provide details of each responsive claim on a separate page.

It is agreed by all concerned that if any of the persons or entities to be insured under the policy are responsible for or has knowledge of any Wrongful Act, fact, circumstance, or situation not described above, any Claim subsequently emanating therefrom shall be excluded from coverage under the proposed insurance as to such persons or entities. Such responsibility or knowledge shall not be imputed to any other persons or entities to be insured under the policy for the purpose of determining the availability of coverage.

Has any Directors' & Officers' Insurance, or other form of insurance similar to the proposed Policy, on behalf of the Entity been declined, canceled or not renewed? (Question is not applicable in the state of Missouri) ☐ Yes ☐ No
If yes, please provide details of each responsive claim on a separate page.

IV. APPLICATION SIGNATURE

The undersigned declares that to the best of his/her knowledge the statements set forth herein are true and correct. Signing of this Application does not bind the undersigned to complete the insurance, but it is agreed that this Application shall be the basis of the contract should a Policy be issued. It is agreed that this Application, a copy of which will be attached to the proposed Policy, and any materials submitted or required (which shall be maintained on file by the Insurer and be deemed attached as if physically attached to the proposed Policy), are true and are the basis of the proposed Policy and are to be considered as incorporated into and constituting a part of the proposed Policy. If between the date of this Application and the proposed effective date of the Policy there is a material change in the condition of the Entity or occurrence of an event which could substantially change the underwriting evaluation of the Applicant, then the Applicant must notify Continental Casualty Company. Upon receipt of such notice, Continental Casualty Company reserves the right to modify the final terms and conditions of the proposed policy upon review of the information received in satisfaction of the aforementioned conditions. In addition, any outstanding quotations may be modified or withdrawn at the sole discretion of the Insurer.

The undersigned declares that the employees of the applicant have all, to the best of the applicant's knowledge and belief, while in the service of the applicant, always performed their respective duties honestly, There has never come to its notice or knowledge, except as stated herein, any information which in the judgment of the applicant indicates that any of the said employees are dishonest. Such knowledge as any officer signing for the applicant may now have in respect to his or her own personal acts or conduct, unknown to the applicant, is not imputable to the applicant.

It is understood that the first premium upon the policy applied for, and subsequent premiums hereon, are due at the beginning of each premium period, that the company is entitled to additional premiums because of any unusual increase in the number of employees and that the applicant agrees to pay all such premiums promptly.

Date: _____ By: _____ _____

Authorized Association Representative *Print Name & Title*

Submitting Broker Name: _____ Contact: _____

Address: _____

_____

Telephone Number: _____ Broker is properly licensed to produce this insurance? ☐ Yes ☐ No

Applicable in AL, AR, DC, LA, MD, NM, RI and WV:
It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties (may) include imprisonment, fines and denial of insurance benefits. *Applies in ME Only.*

Applicable in CO:
It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

Applicable in FL and OK:
Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony (of the third degree). *Applies in FL Only.*

Applicable in KS:
Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

Applicable in KY, NY, OH and PA:
Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties (not to exceed five thousand dollars and the stated value of the claim for each such violation)*.*
**Applies in NY Only.*

Applicable in ME, TN, VA and WA:
It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties (may) include imprisonment, fines and denial of insurance benefits. *Applies in ME Only.*

Applicable in NJ:
Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

Applicable in OR:
Any person who knowingly and with intent to defraud or solicit another to defraud the insurer by submitting an application containing a false statement as to any material fact may be violating state law.

Applicable in PR:
Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars ($5,000) and not more than ten thousand dollars ($10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances [be] present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

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